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# **OPEN MEETING COVER SHEET**

## **MEMORANDUM AND PROPOSAL FOR ADOPTION**

<b>MEETING DATE:</b>	May 26, 2022
<b>DATE DELIVERED:</b>	May 25, 2022
<b>AGENDA ITEM NO.:</b>	24
<b>CAPTION:</b>	Project No. 52287 – Power Outage Alert Criteria
<b>DESCRIPTION:</b>	Memo and Proposal for Adoption

# *Public Utility Commission of Texas*

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## **Memorandum**

**TO:** Chairman Peter Lake  
Commissioner Will McAdams  
Commissioner Lori Cobos  
Commissioner Jimmy Glotfelty

**FROM:** David Smeltzer, Director of Rules and Projects

**DATE:** May 25, 2022

**RE:** May 26, 2022 Open Meeting – Agenda Item No. #24  
Project No. 52287, *Power Outage Alert Criteria*

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Please find attached to this memorandum Commission Staff's proposal for adoption in the above-referenced project for consideration at the May 26, 2022 open meeting.

This rule, if adopted will establish the criteria for the content, activation, and termination of regional and statewide power outage alerts as required by Tex. Gov't, Code §411.301(b), enacted by the 87<sup>th</sup> Texas Legislature as part of Senate Bill 3.

The commission received comments on the proposed rule from AEP Texas Inc., CenterPoint Energy Houston Electric, LLC, and Texas-New Mexico Power Company (collectively, Joint TDUs); Electric Reliability Council of Texas, Inc. (ERCOT); Entergy Texas Inc. (ETI); the Lower Colorado River Authority and Lower Colorado River Authority Transmission Services (collectively, LCRA); Office of Public Utility Counsel (OPUC); Oncor Electric Delivery Company LLC (Oncor); Southwestern Electric Power Company (SWEPCO); Southwestern Public Service Company (SPS); Texas Competitive Power Advocates (TCPA); Texas Electric Cooperative's Inc. (TEC); Texas Public Power Association (TPPA); and Vistra Corporation (Vistra).

Commission Staff recommends the Commission approve this proposal for final adoption.

**PROJECT NO. 52287**

**POWER OUTAGE ALERT CRITERIA     §     PUBLIC UTILITY COMMISSION  
   §     OF TEXAS  
   §  
   §**

**(STAFF RECOMMENDATION)**

**ORDER ADOPTING NEW 16 TAC §25.57 AS APPROVED AT THE MAY 26, 2022**

**OPEN MEETING**

1     The Public Utility Commission of Texas (commission) adopts new 16 Texas Administrative Code  
2     (TAC) §25.57, relating to Power Outage Alert Criteria. The commission adopts this rule with  
3     changes to the proposed rule as published in the December 31, 2021 issue of the *Texas Register*  
4     (46 TexReg 53). This rule establishes the criteria for the content, activation, and termination of  
5     regional and statewide power outage alerts as required by Tex. Gov't. Code §411.301(b), enacted  
6     by the 87<sup>th</sup> Texas Legislature as part of Senate Bill 3.

7  
8     The commission received comments on the proposed rule from AEP Texas Inc., CenterPoint  
9     Energy Houston Electric, LLC, and Texas-New Mexico Power Company (collectively, Joint  
10     TDUs); Electric Reliability Council of Texas, Inc. (ERCOT); Entergy Texas Inc. (ETI); the Lower  
11     Colorado River Authority and Lower Colorado River Authority Transmission Services  
12     (collectively, LCRA); Office of Public Utility Counsel (OPUC); Oncor Electric Delivery  
13     Company LLC (Oncor); Southwestern Electric Power Company (SWEPCO); Southwestern Public  
14     Service Company (SPS); Texas Competitive Power Advocates (TCPA); Texas Electric

Cooperative's Inc. (TEC); Texas Public Power Association (TPPA); and Vistra Corporation (Vistra).

#### *"Commission"*

ERCOT observed that the proposed rule makes several references to "the commission," such as notices that must be provided to the commission and that the commission can recommend the issuance, update, or termination of a power outage alert. ERCOT recommended that the commission consider expanding these references to include the executive director or a designee. ERCOT argued this would provide more flexibility to the commission in developing its power outage alert processes without requiring future rulemaking projects. ERCOT further argued that codifying "that certain actions may only be given to or taken by the Commission results in practical and legal limitations on the ability to rapidly respond to a dynamic situation" and provided the example of ERCOT operators rescinding firm load-shed instructions at 1 a.m. on a Saturday night. In this instance, ERCOT continued, it would be desirable to terminate the power outage alert, but that under the proposed rule it may require the commission to convene an emergency open meeting subject to specific legal requirements, such as audio, visual, and internet-broadcasting requirements.

#### *Commission Response*

**The commission agrees with ERCOT that, for practical reasons, the duties associated with the rule are more properly assigned to the executive director. Imminent system-wide load shed events would require a swift response under circumstances that would make convening**

1 an open meeting impractical or even impossible. Therefore, the commission modifies the  
2 rule to replace all references to “the commission” with “the executive director.” The  
3 commission further adds language to adopted subsection (c) allowing a designee to act on  
4 behalf of the executive director under this section. Under the adopted rule, the executive  
5 director or a designee will receive notices from ERCOT and transmission service providers  
6 (TSPs) in power regions outside of ERCOT of likely system-wide load shed events, request  
7 additional information as necessary, and recommend the issuance, update, or termination of  
8 power outage alerts as circumstances require.

9  
10 *Termination criteria*

11 Joint TDUs argued the proposed rule should be modified because Tex. Gov’t. Code §411.301(b)  
12 directs the commission to adopt termination criteria for a power outage alert and recommended  
13 that such criteria should be “when the reliability coordinator terminates or cancels the ‘load shed  
14 instructions’ that gave rise to the power outage alert’s activation.”

15  
16 *Commission Response*

17 The commission agrees with Joint TDUs that Tex. Gov’t. Code §411.301(b) requires the  
18 commission to establish criteria for terminating a power outage alert. The commission  
19 modifies subsection (c) to allow the executive director to recommend the termination of a  
20 power outage alert when the conditions that led to the issuance of the power outage alert are  
21 no longer applicable and are unlikely to recur in the near future.

1 *Accessibility*

2 TPPA recommended the commission ensure, to the best of its ability, that language or accessibility  
3 barriers do not prevent Texans from receiving a power outage alert in a meaningful way. TPPA  
4 recommended that the power outage alert be, at a minimum, issued in English and Spanish and be  
5 integrated with TTD/TTY equipment.

6  
7 *Commission Response*

8 **The commission declines to modify the rule to address accessibility and language barriers as**  
9 **recommended by TPPA. DPS is the state agency tasked with administering this program**  
10 **and issuing power outage alerts, and the commission does not control the methods,**  
11 **platforms, or technology that will be used to broadcast these alerts to the public.**

12  
13 *Proposed 25.57(a) – “Purpose and Applicability”*

14 Proposed subsection (a) establishes the applicability of proposed §25.57. LCRA requested the  
15 commission modify this section, in part, to read: “This section applies to power outage alerts issued  
16 in the Electric Reliability Council of Texas (ERCOT) power region and ~~transmission service~~  
17 ~~providers~~ in power regions in Texas other than the ERCOT power region.”

18  
19 *Commission Response*

20 **The commission declines to modify the applicability language as requested by LCRA. This**  
21 **subsection identifies the entities required to comply with the rule, not the areas of the state**

1 in which it applies. The rule requires action by, and therefore applies to, ERCOT and TSPs  
2 in power regions other than ERCOT.

3  
4 The commission adds a clarification to subsection (a) that power outage alerts can be  
5 regional or statewide. The commission also replaces all references to the “ERCOT power  
6 region” throughout the rule with references to the “ERCOT region,” for consistency with  
7 §25.5 (relating to Definitions).

8  
9 *Proposed 25.57(b)(1) – “Load Shed Instructions”*

10 Proposed paragraph (b)(1) defines the term “load shed instructions” as “directions given by a  
11 reliability coordinator to a TSP to reduce electricity usage along its systems by a described amount  
12 to prevent longer and larger outages for an entire power region.”

13  
14 TEC argued that the proposed definition of “load shed instructions” does not “include all instances  
15 of system-wide load shed” and objected to the phrase “longer and larger outages.” Specifically,  
16 TEC asserted that controlled outages may not always prevent “longer and larger outages” from  
17 occurring when a reliability coordinator issues an emergency alert.

18  
19 *Commission Response*



1   **The commission agrees with TEC that “longer and larger outages” is an unnecessary**  
2   **inclusion in the definition of “load shed instructions” and removes the phrase from the**  
3   **adopted definition.**

4  
5   LCRA recommended the definition of “load shed instructions” be revised to include “distribution  
6   service providers, or their agents.” ERCOT recommended revisions to the definition of “load shed  
7   instructions” to include the potential for the reliability coordinator to issue direction to a TSP’s  
8   agent.

9  
10   ***Commission Response***

11   **The commission agrees with LCRA and ERCOT that it is appropriate to include a reference**  
12   **to a TSP’s agent in the definition of “load shed instructions.” However, a reference to**  
13   **distribution service providers is unnecessary. In the context of this rule, the phrase load shed**  
14   **instructions is used to identify the trigger for notice requirements applicable to ERCOT and**  
15   **TSPs outside of ERCOT, and the trigger for the executive director to consider**  
16   **recommending the issuance of a power outage alert. Because each of these triggers is based**  
17   **on load shed instructions being issued system-wide, it is sufficient to link the trigger to the**  
18   **issuance of instructions to a TSP or its agent, as recommended by ERCOT, even if load shed**  
19   **instructions may also be issued to distribution service providers.**

20  
21   LCRA and ERCOT recommended the definition clarify the reliability coordinator’s directions are  
22   for firm load shed, because there are other actions that a reliability coordinator may instruct a TSP

1 or its agent to take that would result in reduced electricity usage but not warrant a power outage  
2 alert.

3  
4 *Commission Response*

5 **The commission agrees with LCRA and ERCOT that the definition of “load shed**  
6 **instructions” should specify that the reliability coordinator is directing a TSP or its agent to**  
7 **shed firm load and modifies the definition accordingly.**

8  
9 *Proposed 25.57(c) – Issuance of a power outage alert*

10 Proposed subsection (c) describes the process by which the commission may recommend DPS  
11 issue a power outage alert based on information it has received from ERCOT and TSPs in power  
12 regions other than ERCOT. Under proposed subsection (c), the issuance of a power outage alert  
13 may be recommended when load shed instructions have been issued or are likely to be issued  
14 because the system-wide power supply in one or more power regions within Texas may be  
15 inadequate to meet demand. Paragraph (c)(3) states that in determining whether or recommend  
16 the issuance of a power outage alert, the commission will consider the likelihood of system-wide  
17 load shed instructions being issued, the expected length of time the load shed instructions will be  
18 in effect, and any other relevant information.

19  
20 TPPA noted that the proposed rule appears to require ERCOT and TSPs outside of ERCOT to  
21 report all load shed instructions, including local events confined to an area served by a single TSP.  
22 TPPA argued that local events are best handled by local TSPs and requested clarification on

whether the commission would require entities to issue a power outage alert for events that affect only one TSP.

#### *Commission Response*

**The commission agrees with TPPA that local providers are best equipped for communicating with customers concerning localized power outages. Power outage alerts will only be issued on a system-wide basis and the commission clarifies throughout the rule that ERCOT and TSPs in power regions other than ERCOT only need to notify the commission when the load shed instructions are issued, or are likely to be issued, on a system-wide basis.**

**The commission modifies the language of (c) to assign authority related to power outage alerts to the executive director or a designee and adds provisions related to the update and termination of power outage alerts as described in the commission's response to general comments above. The commission also reorganizes the information in this subsection for clarity.**

ERCOT and ETI each proposed that the commission modify the rule to state that the commission may recommend the issuance of a power outage alert based on information received from ERCOT "or" TSPs in power regions other than ERCOT, rather than ERCOT "and" these TSPs. These commenters argued stated that the conditions in each power region are often different, and the commission may need to issue a power outage alert in one region even if other regions are not at risk of load shed.

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*Commission Response*

**The commission agrees with ERCOT and ETI that the executive director should consider information related to a particular power region when determining whether to issue a power outage alert for that region and modifies the rule accordingly.**

Joint TDUs argued that the primary criterion for activating a power outage alert should be the issuance of actual load shed instructions. Joint TDUs opposed the issuance of power outage alerts if load shed instructions are only “likely to be issued,” stating that this criterion is vague and “does not appear to allow for the proactive engagement of the customer-facing entities such as the TDUs prior to activation.”

Vistra interpreted the language of proposed (c) as establishing a substantial certainty standard for the issuance of a power outage alert and requested that the commission verify that this is correct. Vistra further requested that the commission more uniformly incorporate substantial certainty language into this subsection by modifying it to read: “[t]he issuance of a [power outage alert] may be recommended when load shed instructions have been issued or are likely to be issued because the system-wide power supply in one or more power regions within Texas ‘is likely to be’ inadequate to meet demand.”

*Commission Response*

1   **The commission disagrees with Joint TDUs that power outage alerts should only be issued**  
2   **when load shed instructions have been issued. The purpose of a power outage alert is to**  
3   **notify the public when there is likely to be system-wide power outages so that the public can**  
4   **stay informed and make any necessary preparations. If the executive director has**  
5   **information that reliably predicts a system-wide load shed event, the executive director may**  
6   **recommend the issuance of a power outage alert at that time. However, the commission**  
7   **agrees with Vistra that a power outage alert should only be issued when there is an actual**  
8   **likelihood of supply being inadequate to meet demand and modifies the rule accordingly.**

9  
10   TPPA noted that the language permitting the recommendation of a power outage alert when “the  
11   system-wide power supply...may be inadequate to meet demand” could be interpreted in multiple  
12   ways and requested that the commission clarify the language. TPPA acknowledged that this  
13   language was statutory, but argued that the public should understand under what conditions a  
14   power outage alert might be issued.

15  
16   ***Commission Response***

17   **The commission declines to modify the provision. A power outage alert serves to notify the**  
18   **public of an actual or imminent potential system-wide load shed event to assist members of**  
19   **the public in responding to such an event. Broadly speaking, this would occur when system-**  
20   **wide available generation, minus essential operating reserves, is projected to be less than**  
21   **system-wide load. However, the energy industry is rapidly evolving, as are the technologies,**  
22   **resource types, and services in each power region. A precise activation standard for power**

1   outage alerts could quickly become obsolete or apply unevenly across power regions.  
2   Accordingly, the adopted rule provides the executive director flexibility to consider the  
3   available information in context when determining whether to recommend the issuance of a  
4   power outage alert.

5  
6   OPUC, SWEPCO, and Joint TDUs each argued that the commission should provide information  
7   to certain groups prior to, or contemporaneously with, the issuance of a power outage alert. OPUC  
8   recommended the rule require the commission to notify OPUC when a power outage alert is issued.  
9   OPUC asserts this sharing of information will facilitate timely and efficient responses by OPUC  
10   to customer concerns.

11  
12   Joint TDUs and SWEPCO recommended the rule allow for engagement of TDUs, TSPs, and other  
13   customer-facing entities prior to the issuance of a power outage alert. Joint TDUs also requested  
14   that all market participants receive the alert notice that the commission sends to DPS to initiate a  
15   power outage alert. SWEPCO asked that the content of power outage alerts be shared with TSPs  
16   to ensure consistent communication.

17  
18   *Commission Response*

19   The commission declines to modify the rule to include any provisions governing how the  
20   commission communicates information related to power outage alerts to OPUC, utilities, or  
21   other interested parties. This rule establishes the criteria for the issuance and termination  
22   of power outage alerts. It does not govern the commission's other communications during

1 load shed events. The commission communicates urgent information to outside parties  
2 through a variety of different avenues. While many of these communications may take place  
3 concurrently with the issuance of a power outage alert, the actual issuance of power outage  
4 alerts rests with DPS, not the commission – the alert notice that Joint Utilities request the  
5 commission provide TDUs, for example, is not a commission-developed notice and will only  
6 be utilized by the commission for its intended purpose. Moreover, formalizing any  
7 requirements governing how and when the commission must communicate with third parties  
8 about the substance of power outage alerts may reduce the flexibility and efficiency with  
9 which the commission can recommend power outage alerts or disseminate other critical  
10 information.

11  
12 *Proposed 25.57(c)(2) – Alternative communications*

13 Proposed paragraph (c)(2) permits the commission to, concurrently with the issuance of a power  
14 outage alert, disseminate information related to the power outage alert by alternative means of  
15 communication.

16  
17 Vistra and TCPA opposed proposed paragraph (c)(2). Specifically, Vistra and TCPA expressed  
18 concern for the rule language which states that the commission may disseminate information “as  
19 an alternative to recommending the issuance of a system-wide power outage alert.” Because the  
20 commission currently has the authority to pursue those alternatives, Vistra argued that this  
21 language should be deleted so the proposed rule is focused solely on the issuance of power outage

1 alerts. TCPA similarly recommended deleting the same phrase from the proposed rule for clarity  
2 and consistency.

3  
4 *Commission Response*

5 **The commission agrees with Vistra and TCPA that the commission already has the authority**  
6 **to pursue the alternative information dissemination methods in proposed paragraph (d)(2)**  
7 **and removes the provision from the adopted rule.**

8  
9 *Proposed §25.57(d)(1)(A) and §25.57(d)(1)(B) – ERCOT notifications to the commission*

10 Proposed subparagraph (d)(1)(A) requires ERCOT to notify the commission when its forecasts  
11 indicate system-wide generation supply may be insufficient to meet demand within the next 48  
12 hours. Proposed subparagraph (d)(1)(B) requires ERCOT notify the commission when it issues or  
13 is preparing to issue load shed instructions.

14  
15 TEC argued that the 48-hour period prescribed in subparagraphs (d)(1)(A) may be too long. TEC  
16 noted that “in most cases either the market will respond to a potential supply shortfall or ERCOT  
17 will issue Reliability Unit Commitment (RUC) instructions or take other reliability actions to  
18 manage the shortfall.”

19  
20 *Commission Response*



1   **The commission disagrees with TEC that 48 hours is too far in advance for ERCOT to notify**  
2   **the commission that its forecasts indicate that system-wide supply may be inadequate to meet**  
3   **system-wide demand. The 48-hour period does not trigger the issuance of a power outage**  
4   **alert but begins the exchange of information between ERCOT and the commission regarding**  
5   **the possibility of a load shed event. The executive director will not recommend the issuance**  
6   **of a power outage alert without first considering whether system-wide load shed can be**  
7   **avoided by other ERCOT reliability actions.**

8  
9   Vistra recommended replacing the phrase “may be insufficient” from proposed subparagraph  
10   (d)(1)(A) with the phrase “is likely to be insufficient” for consistency with the phrase “likely to  
11   be” as used in proposed subsection (c). Vistra also argued that this change would ensure that  
12   power outage alerts are not issued so often that customers become desensitized to them. TCPA  
13   similarly recommended that the commission replace the word “may” in proposed subparagraph  
14   (d)(1)(A) with “are likely to” for consistency with the issuance threshold under proposed  
15   subsection (c).

16  
17   ***Commission Response***

18   **The commission agrees with Vistra and TCPA to conform the language in paragraph**  
19   **(d)(1)(A) and subsection (c) for consistency and to ensure that power outage alerts are not**  
20   **issued in the absence of an actual or likely system-wide load shed event. The commission**  
21   **updates the language in paragraph (d)(1)(A) accordingly.**

ERCOT recommended striking the phrase “or is preparing to issue” from proposed subparagraph (d)(1)(B) so that ERCOT is not issuing multiple notices for the same emergency event.

*Commission Response*

The commission agrees with ERCOT that proposed (d)(1)(B) would require ERCOT to provide the commission with redundant notices and modifies the rule as recommended. ERCOT is required to notify the executive director when ERCOT’s forecasts indicate that system-wide generation supply is likely to be insufficient to meet demand or when ERCOT issues system-wide load shed instructions. The precise details and timing of these notices will be determined by ERCOT, in consultation with commission staff, under adopted paragraph (d)(4).

*Proposed §25.57(d)(2)(D) – Initiating circumstances*

Proposed subparagraph (d)(2)(D) requires ERCOT to include, if applicable and known, the initiating event or circumstances that prompted the load shed instructions.

Vistra and TCPA argued the rule should focus on communicating the risk of power outages and not the reasons for the power outages. Specifically, Vistra recommended the commission “generally refrain from identifying causes in a power outage alert unless such information is both unambiguously and holistically understood at the time as well as applicable to the preparatory nature of the alert.” Vistra was concerned that subparagraph (d)(2)(D) indicated that power

1 outages might contain information about the cause of power outages before the causes are fully  
2 understood.

3  
4 *Commission Response*

5 **Subparagraph (d)(2)(D) outlines the information that ERCOT is required to provide to the**  
6 **executive director to enable the executive director to determine whether to recommend the**  
7 **issuance of a power outage alert. This information will not be included in the content of the**  
8 **power outage alert unless it is deemed relevant and of assistance to electricity customers in**  
9 **accordance with paragraph (f)(4). However, the commission does modify the language of**  
10 **subparagraph (d)(2)(D) to clarify that ERCOT must also provide, if applicable and known,**  
11 **the initiating event or circumstances that might prompt the issuance of load shed instructions**  
12 **to account for notices provided in accordance with subparagraph (d)(1)(A).**

13  
14 *Proposed §25.57(d)(3) – ERCOT updates to the commission*

15 Proposed paragraph (d)(3) requires ERCOT to notify the commission if any of the conditions listed  
16 under paragraph (d)(1), the paragraph outlining when ERCOT must initially notice the  
17 commission, have materially changed or are no longer applicable.

18  
19 ERCOT recommended alternative language to clarify that ERCOT notify the commission when  
20 “in ERCOT’s judgment” there has been a material change in any of the considerations listed under  
21 paragraph (d)(1). ERCOT further recommended that an additional provision be added to the

1 proposed rule that incorporates by reference §25.362(e) (relating to ERCOT Governance) which  
2 imposes requirements on access to information held by ERCOT.

3  
4 *Commission Response*

5 **The commission modifies adopted paragraph (d)(3) to require ERCOT to notify the**  
6 **executive director when system-wide load shed instructions have been recalled or when, in**  
7 **ERCOT's judgment, there are material changes in ERCOT's forecasts. This modification**  
8 **incorporates ERCOT's proposed edit that would require ERCOT to notify the commission**  
9 **of changes in its forecast that ERCOT deems material, while also requiring ERCOT to notify**  
10 **the executive director when it recalls load shed instructions. During any load shed event,**  
11 **ERCOT will be in constant communication with the commission and the executive director,**  
12 **but these two basic notification triggers are necessary to ensure a power outage alert is not**  
13 **active for longer than necessary.**

14  
15 The commission declines to incorporate §25.362(e) by reference, as it is unnecessary. The  
16 provisions of §25.362(e) already apply to information provided under this section.

17  
18 ***Proposed §25.57(e) – Power outage alert for power regions other than ERCOT***

19 Proposed subsection (e) details the timing and content of the notification requirements for TSPs in  
20 power regions other than ERCOT. Proposed paragraph (e)(1) requires a TSP to notify the  
21 commission when it has received load shed instructions. Proposed paragraph (e)(2) prescribes the  
22 content of the notice. Proposed paragraph (e)(3) further requires the TSP to notify the commission

1 when the applicable reliability coordinator has recalled load shed instructions as well as  
2 information regarding power outages and restoration within the TSP's service territory.

3  
4 SPS recommended revisions to proposed paragraphs (e)(1) and (e)(3) to clarify that notifications  
5 are only required for system-wide load shed events. SPS asserted that TSPs have the best  
6 capabilities for handling load shed events that are localized to their service territory.

7  
8 ***Commission Response***

9 **The commission agrees that power outage alerts should only be issued for system-wide load**  
10 **shed events and modifies the rule accordingly.**

11  
12 SWEPCO recommended that the regional transmission operator (RTO), not a TSP, be the entity  
13 responsible for notifying the commission of load shed events, under proposed subsection (e).  
14 SWEPCO maintained that a TSP should not bear the responsibility of notifying the commission  
15 and further contended that proposed subsection (e) should be revised to be consistent with  
16 proposed subsection (d) for the ERCOT power region, which states that ERCOT, as the RTO, is  
17 responsible for notifying the commission. SWEPCO explained that the "RTO has clear and  
18 immediate visibility of grid conditions" and that the content of notices and additional information  
19 as required under other provisions of the proposed rule can only be answered by the RTO and not  
20 a TSP. Therefore, SWEPCO stated that requiring a TSP to notify the commission in non-ERCOT  
21 regions of Texas would only result in a delay of the power outage alert issuance and divert a TSP's  
22 operators from executing the reliability coordinator's load shed directive.

1

2 *Commission Response*

3 **The commission disagrees with SWEPCO that the RTO should be responsible for notifying**  
4 **the executive director of load shed events outside of the ERCOT region. Unlike ERCOT, the**  
5 **commission does not have oversight authority over RTOs outside of the ERCOT region and**  
6 **cannot direct the actions of these RTOs. The executive director will, of course, consider any**  
7 **relevant information provided by these RTOs in determining whether to recommend the**  
8 **issuance or termination of a load shed event.**

9

10 **The commission expects notification as soon as possible when a TSP has been given load shed**  
11 **instructions and getting the information from the TSPs is the most expedient way for the**  
12 **commission to obtain the information. Since the RTOs outside of ERCOT are responsible**  
13 **for operating the electric grid in multiple states, and report to multiple state, federal and**  
14 **local jurisdictions, the commission believes it will be more expedient to receive load shed**  
15 **instruction information from the TSPs. The commission has required ERCOT to perform**  
16 **this function in the ERCOT territory because the commission has jurisdictional oversight**  
17 **over ERCOT. Therefore, in areas outside of ERCOT, the commission will require the TSPs**  
18 **to inform the commission when they are given load shed instructions.**

19

20 **The commission also disagrees with SWEPCO's arguments that load shed events do "not**  
21 **leave time for ...dissemination of information about the event" and that the time it would**  
22 **take to notify the commission that it had received load shed instructions would interfere with**

1 its ability to properly execute the load shed instructions and even, potentially, delay the  
2 issuance of the power outage alert. Under these same conditions, SWEPCO states that “it  
3 will be important for SWEPCO to immediately be aware of [a power outage alert’s]  
4 contents” and that the commission should provide details about the power outage alert  
5 “simultaneous with or even prior to the issuance to the public.” The multi-medium customer  
6 communication activities that SWEPCO indicated it conducts demonstrates that  
7 communicating basic information surrounding a load shed event to the commission is not an  
8 unduly burdensome requirement. Moreover, the commission has simplified the notification  
9 requirements, as described below, and will work with TSPs in accordance with subsection  
10 (e)(3) to address any remaining logistical concerns.

11  
12 TEC argued that the requirement for a TSP to provide notice to the commission should be “limited  
13 in scope to only reflect the information the transmission service provider can confidently provide.”  
14 TEC recommended deleting the phrase “any available information regarding power outages,”  
15 under proposed paragraph (e)(3) as overly broad and potentially including substantial amounts of  
16 data that is either irrelevant or publicly available. Lastly, TEC stated that deletion of the phrase  
17 would avoid duplication of the requirements in sections (e)(2)(B) and (e)(3) regarding power  
18 restoration.

19  
20 *Commission Response*

1    **The commission agrees with TEC that a TSP should only be required to provide information**  
2    **that it can confidently provide. Accordingly, the commission strikes proposed paragraph**  
3    **(e)(2) from the rule.**

4  
5    **The commission disagrees with TEC that a TSP should not be required to provide**  
6    **information on power outages and the expectation for power restoration in proposed**  
7    **paragraph (e)(3). This information will help the executive director assess how long the power**  
8    **outage alert should remain in effect. However, in response to TEC's concerns, the**  
9    **commission modifies the rule to only require a summary of information regarding power**  
10    **outages and the expectation of power restoration.**

11  
12    ***Proposed §25.57(e)(4) – Notification procedures***

13    Proposed subparagraph (e)(4) requires a TSP covered by this section to establish a procedure, in  
14    consultation with commission staff, to provide the commission with notifications required under  
15    subsection (e).

16  
17    TEC requested clarification on the procedures to provide notifications under proposed paragraph  
18    (e)(4). TEC requested that the commission establish the procedures for guidance such as an e-  
19    mailed template, rather than require TSPs to create a new procedure. TEC stated that such guidance  
20    would promote the commission's goals of receiving consistent, standardized information  
21    regarding load shed instructions outside of ERCOT.



ETI argued that messaging to public and governmental officials during circumstances when a load shed event is imminent will require close coordination with all entities involved. ETI supported proposed paragraph (e)(4) as providing an avenue for TSPs to work with commission staff to establish a procedure to provide the required notifications that fits the specific circumstances of each TSP.

### *Commission Response*

**The commission agrees with ETI that the notification procedures must be flexible to fit the specific circumstances of each TSP and declines to adopt a standard form or procedure as requested by TEC. However, the commission does not oppose the development of a uniform approach by TSPs and commission staff. Accordingly, the commission adds language to paragraph (e)(3) allowing commission staff to develop a standardized process for providing the required notifications.**

### *Proposed 25.57(f) – Content of power outage alert*

Proposed subsection (f) requires the power outage alert to include a statement that electricity customers may experience a power outage and, when known and as applicable: whether load shed is occurring or expected to occur; a brief explanation of the circumstances surrounding the load shed event; where an electricity customer should seek assistance while the customer's power may be out; a disclaimer that a customer may not necessarily experience load shed; and any other information deemed relevant and of assistance to electricity customers.

1 Joint TDUs commented that proposed subsection (f) lacks substantive criteria for a power outage  
2 alert. Specifically, Joint TDUs argued that the criteria in proposed subsection (f) does not include  
3 information regarding the “expected duration, mitigation measures being undertaken, and the  
4 number of potentially affected customers within the affected power region.” Joint TDUs  
5 recommended providing more substantive information in the power outage alert.

6  
7 Vistra and TCPA argued the rule should focus on communicating the risk of power outages and  
8 not the reasons for the power outages. Specifically, Vistra recommended the commission  
9 “generally refrain from identifying causes in a power outage alert unless such information is both  
10 unambiguously and holistically understood at the time as well as applicable to the preparatory  
11 nature of the alert.” TCPA argued that the commission has many other channels to communicate  
12 additional information.

13  
14 *Commission Response*

15 **The commission agrees with Vistra and TCPA that the content of a power outage alert should**  
16 **focus on the risk of power outages and, accordingly, strikes the requirement that a power**  
17 **outage alert contain a brief explanation of the circumstances surrounding the load shed**  
18 **event. Similarly, the commission declines to require that power outage alerts include**  
19 **information on expected duration, mitigation measures, and affected customer counts, as**  
20 **recommended by Joint TDUs. The commission and service providers can communicate this**  
21 **information to customers when available through other channels. Moreover, this**

1 information may still be provided in a power outage alert if “deemed relevant and of  
2 assistance to customers.”

3  
4 The commission also modifies the language of adopted (f) to allow a power outage alert to  
5 contain the required information or instructions on how to obtain the required information.  
6 This language will allow DPS the flexibility to disseminate helpful information to customers  
7 in the most efficient manner possible during a system-wide load shed event.

8  
9 *Proposed §25.57(f)(4) – Customer assistance*

10 Proposed §25.57(f)(4) requires a power outage alert to provide, when known and applicable, where  
11 an electricity customer can seek assistance while the electricity customer’s power may be out.  
12 TPPA requested clarification on what kinds of “assistance” the commission is envisioning this  
13 involves to better facilitate a coordinated response.

14  
15 *Commission Response*

16 The commission is constantly working with industry and its partner governmental agencies  
17 to improve the content of communications with the public surrounding electricity-related  
18 events. The customer assistance information provided in power outage alerts may include  
19 links to websites with additional information about safety procedures during the power  
20 outage, and telephone numbers for contacting emergency services. However, the commission  
21 will not limit the discretion of DPS or its other state agency partners to identify and provide  
22 other information that may be helpful to the public during load shed events.

1

2 The amended rule is adopted under PURA §14.002, which provides the Public Utility Commission  
3 with the authority to make, adopt, and enforce rules reasonably required in the exercise of its  
4 powers and jurisdiction. The amended rule is also adopted under Tex. Gov't. Code §411.301, which  
5 requires the commission to adopt criteria for the content, activation, and termination of power  
6 outage alerts.

7

8 Cross Reference to Statute: Public Utility Regulatory Act §14.002 and Tex. Gov't. Code §411.301.

1   **§25.57 Power Outage Alert Criteria.**

2   (a)   **Purpose and Applicability.** This section establishes criteria for the activation, content,  
3       and termination of regional and statewide power outage alerts as required by Tex. Gov't  
4       Code §411.301(b). This section applies to the Electric Reliability Council of Texas  
5       (ERCOT) and to transmission service providers in power regions in Texas other than the  
6       ERCOT region.

7  
8   (b)   **Definitions.**

9       (1)   **Load shed instructions** -- Directives given by a reliability coordinator to a  
10       transmission service provider or its agent to reduce firm load along its systems by  
11       a prescribed amount.

12       (2)   **System-wide** -- The entirety of a power region.

13  
14   (c)   **Issuance and termination of a power outage alert.** The executive director may  
15       recommend the Texas Department of Public Safety issue, update, or terminate a power  
16       outage alert. A designee may act on behalf of the executive director under this section.

17       (1)   The executive director may recommend the Texas Department of Public Safety  
18       issue a power outage alert statewide or for one or more specific power regions in  
19       Texas. The issuance of a power outage alert may be recommended for power  
20       regions in which system-wide load shed instructions have been issued or are likely  
21       to be issued because the system-wide power supply is likely to be inadequate to  
22       meet demand.

23

(2) In determining whether to recommend the issuance of a power outage alert, the executive director will consider the likelihood of system-wide load shed instructions being issued, the expected length of time the load shed instructions will be in effect, and any other relevant information. In determining whether to recommend the issuance of a power outage alert in the ERCOT region, the executive director will consider information received from ERCOT under subsection (d) of this section. In determining whether to recommend the issuance of a power outage alert in a power region other than the ERCOT region, the executive director will consider information received from transmission service providers in that power region under subsection (e) of this section.

(3) The executive director may recommend the termination of a power outage alert when the conditions that led to the issuance of the power outage alert are no longer applicable and are unlikely to recur in the near future.

**(d) Power outage alerts for the ERCOT region.**

(1) ERCOT must notify the executive director when:

(A) ERCOT's forecasts indicate system-wide generation supply is likely to be insufficient to meet demand within the next 48 hours; or

(B) ERCOT issues system-wide load shed instructions.

(2) A notice under paragraph (1) of this subsection must include any available, relevant information to assist the executive director in determining whether to recommend the issuance of a power outage alert and what information should be included in the power outage alert. The notice must include, but is not limited to:

- 1 (A) Whether system-wide load shed instructions have been issued;
- 2 (B) Whether system-wide power supply is forecasted to be insufficient to meet
- 3 demand and, if so, an estimated time when load shed instructions may be
- 4 issued;
- 5 (C) If applicable and known, an estimated time when load shed instructions may
- 6 be recalled; and
- 7 (D) If applicable and known, the initiating event or circumstances that prompted
- 8 or might prompt the issuance of load shed instructions.
- 9 (3) ERCOT must notify the executive director when system-wide load shed
- 10 instructions have been recalled or when, in ERCOT's judgment, there are material
- 11 changes in ERCOT's forecasts. This notice must include information on any of the
- 12 remaining conditions listed under paragraph (1) of this subsection that are still
- 13 applicable.
- 14 (4) ERCOT must establish a procedure, in consultation with commission staff, to
- 15 provide the executive director with notifications required under this subsection.
- 16 (5) Upon request by the executive director, ERCOT must provide additional
- 17 information and updates.
- 18
- 19 (e) **Power outage alerts for power regions other than the ERCOT region.**
- 20 (1) A transmission service provider in a power region other than the ERCOT region
- 21 must notify the executive director when it has received system-wide load shed
- 22 instructions from the applicable reliability coordinator.

(2) The transmission service provider must notify the executive director when the applicable reliability coordinator has recalled the system-wide load shed instructions. The transmission service provider's notice must include a summary of any available information regarding power outages and the expectation for power restoration within its service territory.

(3) A transmission service provider subject to this subsection must establish a procedure, in consultation with commission staff, to provide the executive director with notifications required under this subsection. Commission staff may develop a form, internet portal, or other standardized process for providing the executive director with notifications required under this subsection. If commission staff develops such a standardized process, a transmission service provider's procedure must utilize this standardized process.

(4) Upon request by the executive director, a transmission service provider must provide additional information and updates.

(f) **Power outage alert content.** When known and as applicable, the power outage alert must provide the following information or instructions on how to obtain the following information:

(1) Whether system-wide load shed is occurring or expected to occur imminently;

(2) A statement that an electricity customer may experience a power outage;

(3) Where an electricity customer can seek assistance while the electricity customer's power may be out; and



1                   (4)     Any other information deemed relevant and of assistance to electricity  
2                               customers.

3

4               This agency hereby certifies that the proposal has been reviewed by legal counsel and  
5   found to be within the agency's legal authority to adopt.

6

**Signed at Austin, Texas the \_\_\_\_ day of \_\_\_\_ 2022.**

**PUBLIC UTILITY COMMISSION OF TEXAS**

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**PETER LAKE, CHAIRMAN**

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**WILL MCADAMS, COMMISSIONER**

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**LORI COBOS, COMMISSIONER**

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**JIMMY GLOTFELTY, COMMISSIONER**